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JAY S. WALKER

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EXAMINER

NGUYEN, TRI V

ART UNIT

PAPER NUMBER

1796

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DELIVERY MODE

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/219,267	Applicant(s) WALKER ET AL.	
	Examiner TRI V. NGUYEN	Art Unit 1796	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09/10/09.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 56-62, 65-70 and 73-81 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 56-62, 65-70 and 73-81 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Art Unit: 1796

DETAILED ACTION

Response to Amendment

1. Upon the amendment filed on 09/10/09, Claims 56, 61, 62, 74-81 are amended and Claims 1-55, 63, 64, 71 and 72 are cancelled. The currently pending claims are Claims 56-62, 65-70 and 73-81.

Based on applicants' remarks and amendments, the 112(1) rejections and the 103(a) rejections are withdrawn.

However, a new ground of rejections based on newly found art of Eisman ("Incentive marketing: the Energy of synergy." Incentive. Nov. 1992, page 61) is included.

Claim Rejections - 35 USC § 103

2. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

Claims 56-61, 65, 73-78 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Katz in view of Brian Reilly ("Upselling strategies hit the net" Net Marketing, pages M1 and M18, December 1996), Logan, Dana Spoor, Chelliah et al. (US 5,710,887), Stephen Ellis, Oslund and Eisman ("Incentive marketing: the Energy of synergy." Incentive. Nov. 1992, page 61).

Claims 56, 61 and 65: Katz discloses various schemes that include upselling offers of goods/services upon an indication of and based on a primary transaction, closing/order fulfillment/tracking on the second transaction (thus an indication of fulfillment received) (see at least Figs 5, items 210-214 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23).

Hence Katz discloses:

Art Unit: 1796

A method for providing an offer, comprising the steps of:

Receiving on a Website, an indication of at least one item that the customer is to purchase from the first vendor by an item identifier, the at least one item having an associated total price (see at least Figs. 4, 5, 6 and associated text; col. 8 lines 22-26; col. 21 lines 9-15; purchase contact);

selecting an offer for upsell from a plurality of offers (Figs. 6, item 326 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23);

transmitting in response to the received an indication of at least one item, an indication of an offer from the second vendor (see at least Figs. 4, 5,6 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23);

receiving an indication that the customer accepts the offer (see at least Fig. 9 item 414 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23)

providing the at least one item for the customer;

determining whether the customer has fulfilled the second transaction (see at least Fig. 6, items 360-368 and associated text ;col. 26 lines 49-58: customer billing and allocation of costs between vendors whereby the second vendor pays some of the first vendor's costs).

Katz does not explicitly disclose the features of (a) the offer is for a conditional offer for a subsidy by second vendor from the total price of the first item, (b) the item being a book, (c) the specific web interface features, (d) the credit card features and (f) the subsequent interactions with the customer and various subsidizers such as obligation fulfillment or credit card application. It is noted that the Katz et al. disclose the features of networked computer, web implementation and targeted subsidies (col. 1, line 22 to col 20, line 22) and the feature of books as items (col 8, lines 13-15).

Art Unit: 1796

In an analogous art, Reilly discloses an upselling system that includes the features of a web interface with selectable buttons, price indication and promotional offers/redemptions (see page M-3 and M-18), Eisman discloses the feature of books being used in the field of cross-marketing (page 1), Logan discloses generating a customer interface for allowing the customer to interact with the system and providing an offer from a second merchant selected from a plurality of merchants based on the customer information on various platforms such as a PDA or portable computer (col 6, lines 10-44, col 9, lines 23-50 and col 10, lines 51-55) and Chelliah et al. disclose a marketing system in which various coupons are offered based on the items selected by the customer and placed into a virtual shopping cart via pricing rules (col 13, line 10 to col 15, line 32). Particularly, it is noted that Reilly discloses the feature of expanding the upselling to various companies by sharing information and establishing partnerships (Reilly: last two paragraphs of M-18). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the customer to interact with the system via a customer interface on various platforms that includes standard inputs and outputs such as a selectable button, price indications and selecting offers from various merchants. The claimed subject matter would have been obvious because a particular known technique was recognized as part of the ordinary capabilities of a skilled artisan to improve and update known scheme to modern business and technological practices. In particular, the claim would have been obvious because a particular known technique such as the adaptation of the web interface schematic of Reilly to the personal interactions of Katz was recognized as part of the ordinary capabilities of a skilled artisan.

Art Unit: 1796

In an analogous art, Oslund teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product - coupon for a grocery store subsidized by a service carrier (abstract, page 3). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Oslund. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving profitability.

In an analogous art, Spoor teaches a cross-marketing scheme with the features of a service provider such as a telephone service and cancellation fees (Spoor: page 1, parag. 7-8, 10 and page 2, parag.4) and Ellis discloses a scheme where advertisers offer incentives to users to switch to their credit card account services (consumers are encouraged to switch credit card service providers to lower interest rates on transferred balances - this feature also implies that the customer is refrained from switching to a competitor credit cards, see page 1, paragraph 7). It would have been obvious to one skilled in the art at the time the invention was made to complement the cited references' teachings of upselling when a customer is ready to buy based on the primary transaction/ user profiling and for offering subsidies to entice customer to switch to a second vendor with the teaching of Spoor and Ellis as to providers switching to permit advertisers such as service providers to implement their advertising method on the cited references' method such as taking advantage of Katz's upsell profiling/targeting methods. The claim would have been obvious because the technique for improving a

Art Unit: 1796

particular class of marketing system was part of the ordinary capabilities of a person of ordinary skill in the marketing art, in view of the teaching of the technique for improvement in other situations such as the implementation of an upselling system based on profiling and targeted advertising to the service provider field.

Claims 57-60, 73 and 74: regarding the specific credit card features, official Notice is taken that it is old and well known within the marketing arts to make promotional offers to customers who will complete and submit application forms for credit cards as shown by Ellis. These offers are not only made at a merchant's point of sale, but are prevalent throughout our "plastic" society. Indeed, with the advent of "sponsored" credit cards several years ago, such as banks and even gasoline companies issuing VISA cards, surveys have shown that each American receives dozens of such offers each year. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include a promotion based on a credit card application by the customer. One would have been motivated to use such a promotion in order to increase the amount of credit available to the customer, thus enticing the customer to spend more at the merchant. One would have been motivated to ensure that the customer did not already have an account with the credit card issuer in order to avoid providing an excessive credit limit to a customer.

Claims 75-78 describe the apparatus and instructions of the method claims 56, 61 and 62 thus the cited prior art references as set forth above are relied upon to reject claims 75-78.

3. Claims 62, 79 and 80 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. in view of Logan et al., Oslund and Eisman.

Art Unit: 1796

Claim 62: Katz et al. disclose a method for providing a discount to a customer which includes:

a. Receiving an indication that a customer is to purchase an item from a merchant (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6),

in which none of the at least one item requires a service agreement for its use;

b. selecting, by a computing device, a second merchant from a plurality of merchants;

c. providing, in response to the received indication, an offer for a benefit (discount/subsidy) from the second merchant, the step of providing the offer being performed before the at least one item is purchased (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6),

in which the offer is not provided unless and until the indication of the at least one item that the customer is to purchase from the first merchant is received;

c. Receiving a response from the customer accepting the offer (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6); and

d. Applying the benefit (discount/subsidy) to the item (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6).

In an analogous art, Oslund teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product (abstract and page 3) and Eisman discloses the feature of books being used in the field of cross-marketing (page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method as taught by Katz, with the cross-marketing approach as

Art Unit: 1796

taught by Oslund and Eisman. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving greater profitability. While Katz et al. and Oslund do not explicitly disclose that the offer is from a second merchant who has been selected from a plurality of merchants based on the customer information, Logan discloses a similar method and further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50) and generating a customer interface for allowing the customer to interact with the system (col 10, lines 51-55). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use customer information to present an offer to the customer and to allow interactions from the customers. One would have been motivated to select the offer from a plurality of secondary merchants in order to give the customer greater latitude in the selection of the providers and to allow for a customer interface to expedite the method, thus increasing the likelihood that the customer would accept the offer.

Claims 79 and 80 describe the apparatus and instructions of the method claim 62 thus the cited prior art references as set forth above are relied upon to reject claims 79 and 80.

4. Claim 66 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al., Oslund, Logan, Spoor and Eisman and in further view of Tedesco (Broadcasting & Cable).

Claim 66: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises

Art Unit: 1796

Internet service. In an analogous art, Tedesco teaches the use of cross-marketing between a phone company and America Online to provide Internet service (cols 1, 2 and 3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to include providing Internet service. One would have been motivated to apply the teachings of Tedesco to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to provide Internet service and thus enticing customers with a novel service, increasing and diversifying the customer base to achieve greater profitability.

5. Claims 67 and 68 are rejected under 35 U.S.C. 103(a) as being unpatentable Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan and in further view of Fleming et al. (Wall Street Journal).

Claims 67 and 68: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises insurance service or banking service. In an analogous art, Fleming et al. teaches the use of cross-marketing and cross-selling between the banking and insurance sectors ("bancassurance" and "assurfinance") to provide banking and insurance services (§ 1-3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to include providing banking and insurance services. One would have been motivated to apply the teachings of Colman to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to provide banking and insurance services and thus enticing customers interested

Art Unit: 1796

in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

6. Claims 69 and 70 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan and in further view of Colman (Broadcasting & Cable).

Claims 69 and 70: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises satellite television service or cable television service. In an analogous art, Colman teaches the use of cross-marketing and cross-selling between the telephone, cable television and satellite television sectors to provide satellite television service and cable television service (§ 4 and 5 on page 2). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to include providing satellite television service and cable television service. One would have been motivated to apply the teachings of Colman to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan to provide service and thus enticing customers interested in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

7. Claim 81 is rejected under 35 U.S.C. 103(a) as being unpatentable Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan and further in view of Weinblatt (5,515,270).

Claim 81 over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, Eisman and Logan disclose the method as in Claim 61 above, but do not explicitly disclose that the price is reduced

Art Unit: 1796

by a predetermined amount or percentage or reduced to zero (free item) and the subsidizing by a third merchant. Weinblatt discloses a similar method in which the promotions (offers) "can involve coupons for lowering the price" . . . "2 for 1 sale, oversize containers sold for the same price, manufacturer rebates, combining one product with another product, free giveaways, eligibility for a prize drawing, etc." (col 8, lines 40-45). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that various types of offers could be utilized, to include price reductions based on a predetermined amount, a predetermined percentage, reduction of the price to zero (free give-a-way), etc. It also would have been obvious to limit the reduction to no more than the total price of the item being purchased. One would have been motivated to include these types of price reduction offers and to place such a limit on the reduction in order to increase the flexibility of the system while preventing the merchant from losing money by actually paying the customer to take the item (if the price reduction exceeded the price of the item). Regarding the subsidizing by a third merchant, it would have been obvious to a skilled artisan at the time of the invention to arrive at a marketing plan in which numerous merchants would provide the subsidy to gain the benefit of presenting a diversification in the offers thus enticing a variety of customers.

Response to Arguments

8. Applicant's arguments filed 09/10/09 have been fully considered but they are not persuasive and are moot in view of the new ground of rejections.

Applicants also argue that the cited references do not teach the feature of web interface providing the cross-marketing approach of a discount provided by a second merchant (page 19

Art Unit: 1796

et seq.). The examiner respectfully disagrees and notes that even if the references in the instant case do not expressly suggest the specific combination claimed by the inventor, an assertion which the examiner contests, the courts have stated "to support [a] conclusion that claimed combination is directed to obvious subject matter, references must either expressly or impliedly suggest claimed combination or examiner must present convincing line of reasoning as to why artisan would have found claimed invention to have been obvious in light of references' teachings." Ex parte Clapp, 227 USPQ 972, 973 (BdPatApp&Int 1985). Furthermore, The Courts have already established that "[h]aving established that this knowledge was in the art, the examiner could then properly rely, as put forth by the solicitor, on a conclusion of obviousness 'from common knowledge and common sense of the person of ordinary skill in the art without any specific hint or suggestion in a particular reference.'" In re Bozek, 163 USPQ 545, 549 (CCPA 1969).

In the instant case, Katz et al. is relied upon to teach various schemes that include upselling offers of goods/services upon an indication of and based on a primary transaction, closing/order fulfillment/tracking on the second transaction; Reilly and Chelliah are relied upon to the web interface with the Reilly reference also teaching the feature of expanding the upselling scheme to additional companies by sharing information and establishing partnerships (Reilly: last two paragraphs of M-18) and Oslund is relied upon to teach the cross-marketing feature of subsidy by a second merchant for a primary product purchase (grocery discount funded by AT&T). Furthermore, the Oslund reference teaches that customers receives a subsidy for a item as a reward for entering into a contract with AT&T - a service engagement (page 1). It is noted that interactive features such as pushing buttons and receiving a response are well within the techniques known to a skilled artisan in web engineer in designing the flow of a web site. Thus the claim would have been obvious because a particular known technique

Art Unit: 1796

such as the adaptation of the web interface schematic of Reilly and Chelliah to the personal interactions of Katz was recognized as part of the ordinary capabilities of a skilled artisan.

Conclusion

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to TRI V. NGUYEN whose telephone number is (571)272-6965. The examiner can normally be reached on M-F 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724 and Vasu Jagannathan can be reached on (571) 272-1119. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 1796

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/T. V. N./
Examiner, Art Unit 1796
January 6, 2010

/Eric W. Stamber/
Supervisory Patent Examiner, Art Unit 3622